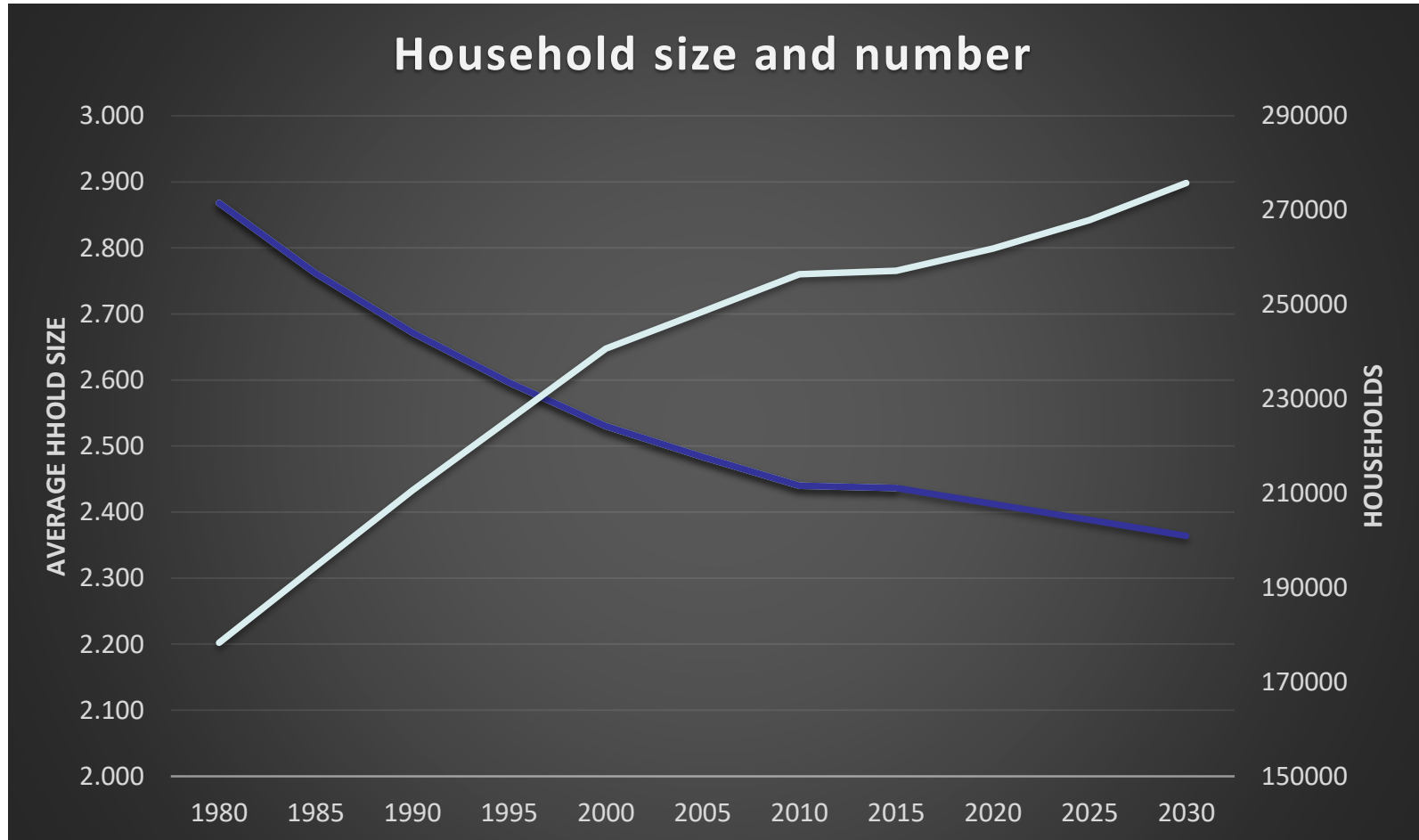


Outline

1. Act 157 – Housing and Infrastructure Solutions
2. Governor’s Housing Plan
3. Priority Housing Projects
4. Title 10 (Act 250) Changes Proposed in S. 100

Housing Needs





ACT 157

Report to the Vermont General
Assembly on ways to improve the
quality and quantity of housing and
tools to finance infrastructure

South Village, South Burlington

Housing in the Right Places

The availability of housing can help or hinder an employer's ability to attract and retain workers

Construction is an important part of the economy that pays living wages and generates tax revenues

Building new and refurbishing housing located in villages and downtowns close to business, stores and schools supports a variety of state and local goals ...

- Revitalizes communities
- Improves the value of the grand list
- Supports downtown and villages businesses
- Gets the most out of past investments in infrastructure
- Reduces taxes needed to support town services like fire, police and ambulance
- Improves public health by promoting walking and biking
- Reduced commuting times saves money, improves air and water quality
- Protects rural working lands

Act 157

Steering Committee

H.702 – \$1m for ‘Workforce Housing’ related infrastructure

Bob Giroux

Executive Director, Vermont Municipal Bond Bank

Christopher Louras (municipality with a designated DT, GC or NDA)

Mayor, City of Rutland

Dominic Cloud (municipality with a TIF District)

City Manager, City of St. Albans

Erik Hoekstra (private housing development)

Managing Partner, Redstone Commercial Development

Jake Feldman (Dept. of Taxes)

Research Statistician, Vermont Department of Taxes

Jen Hollar (VHCB) Director of Policy and Special Projects,

Vermont Housing and Conservation Board

Joan Goldstein (DED)

Commissioner, Vermont Department of Economic Development

Josh Hanford (DHCD)

Deputy Commissioner, Vermont Department of Housing and Community Development

Mike Harrington (municipality with a designated DT, GC or NDA)

Economic and Community Development Director, Town of Bennington

Robin Scheu

Executive Director, Addison County Economic Development Corporation

Sarah Carpenter (VHFA)

Executive Director, Vermont Housing Finance Agency

Trevor Lashua (municipality with a priority housing project)

Town Administrator, Town of Hinesburg

Wright Preston (private lender)

Vice President, Commercial Banking, Northfield Savings Bank

Act 157

Stakeholder Process

9.26.16 – Steering Committee Meeting # 1

10.12 - Housing Development Stakeholders Meeting

10.21 - Housing Developer Survey Due (extended 10/28)

10.21 - Municipal Survey Due

10.31.16 – Steering Committee Meeting # 2

Review survey results

Identify top recommendations

Review draft report outline

12.16.16 – Steering Committee Meeting # 3 (final meeting)

Discuss and refine draft report

1.15.17 – Submit Final Report to General Assembly

Act 157

What we heard

State agency goals and development review can sometimes be inconsistent or undermine each other. These conflicts can delay approvals and result in missed opportunities to use limited staff resources efficiently and effectively.

State regulatory framework (Act 250 and State permitting) could benefit from updates to reduce the cost and time it takes to build housing in areas designated for growth.

Vermont's short building season and narrow margins mean delays are costly and can prevent projects from going forward.

State and local permitting could be improved with better coordination and integration.

Act 157

What we heard

Local development review can be slow, unpredictable, and inconsistent which can add cost to development.

Local appeals or the threat of appeal can delay or substantially reduce the number of units proposed in a housing development.

The cost to hire a licensed designer and the perceived complexity of the state and local water and wastewater permit process has discouraged smaller developers from creating new units in existing buildings.

Developers state that outdated local requirements (zoning bylaws) for more parking than necessary, overly-wide streets, impact fees, and low densities add to the cost of development (in some cases several thousand dollars per housing unit) and result in underutilized land.

Municipalities feel there are too few resources to help them modernize their regulations and the work required for state designation is greater than benefits offered.

Act 157

What we heard

Many federal and state funding sources for infrastructure are no longer available, Tax Increment Financing (TIF) is limited to ten municipalities statewide and there are few other resources communities can access to fund or finance infrastructure.

Many communities around the state do not have the necessary infrastructure (stormwater and wastewater infrastructure) to support new development.

Most critical infrastructure cannot be seen – water, sewer and culverts – and therefore it is easier to overlook their maintenance when funds are limited.

Vermonters are concerned that their taxes are too high and consequently elected officials are reluctant to bond for long-term infrastructure improvements.

Municipalities have looked to the private sector to build needed infrastructure to support housing and economic development, but cost to build or improve infrastructure is difficult to privately finance, adds to construction costs and increases the price of housing built.

Act 157

Steering Committee Recommendations

Regulatory Reforms:

Modify the Priority Housing Project Act 250 exemption to benefit more housing projects.

Create a single point of contact to coordinate and accelerate state permitting for housing projects.

Encourage greater municipal control of water and wastewater permitting.
Offer municipalities financial incentives to make housing development happen.

Link new housing incentives to updates in local regulations.

Consider increasing the income level used to calculate the maximum price of owner-occupied homes considered “affordable” for purposes of the Vermont Planning and Development Act (Chapter 117) from 80% of median income to up to 120%.

Act 157

Steering Committee Recommendations

Infrastructure Financing:

Increase or Eliminate Statutory Cap on TIF Districts.

Dedicate Revenues for Housing Infrastructure.

Expand Downtown Transportation Fund.

Create a Revolving Loan Fund for Housing Infrastructure Development.

Act 157

Steering Committee Recommendations

Tax-based Incentives and Reforms:

Update the tax code to encourage housing investment that provides a high return on public investment in existing infrastructure.

Support the investment and rehabilitation of distressed homes with changes to the treatment of real-estate gains.

Eliminate the land gains tax to support new housing construction.

Expand the existing use tax (sales tax) exemption available to contractors completing a qualified priority housing project.

Increase funding for the Downtown and Village Center Tax Credit program and explore ways that these credits could be used to better support housing needs.

Act 157

Steering Committee Recommendations

Housing Financing:

Funding and other recommendations:

Provide capital incentives (low interest loans and grants) to improve existing housing stock.

Maximize the use of existing housing stock by providing education, support and services to ensure a successful rental housing market

Housing for All

A Plan to Strengthen the Economy

S. 100

Support the \$35 Million Housing Bond

- Creates more housing in areas designated for growth and reinvestment.
- Encourages more mixed-income housing projects.
- Provides housing for the most vulnerable.

S. 99

Increase the Number of Tax Increment Financing (TIF) Districts

- Brings this important infrastructure investment tool to other communities across the state.
- Enables new infrastructure investment to support new housing opportunities, grow jobs and strengthen communities.

S. 100

Add \$200,000 to the Downtown and Village Center Tax Credit program

- Stimulates investment in older and historic buildings.
- Brings buildings up to code with fire sprinklers, elevators, accessibility and technology improvements.
- Targets co-working spaces that attract new entrepreneurs and business to Vermont's 24 designated downtowns and 124 village centers.

S. 100

Expand the 'Priority Housing Project' (PHP) Exemption from Act 250

- Removes the cap on the number of housing units in a Priority Housing Project for communities with populations over 10,000.
- Adjusts the "affordable" rental compliance requirements to build more housing for all.
- Allows permitting benefits for new housing projects that have existing Act 250 permits.

Priority Housing Project

Burlington – Bright Street Cooperative



Project Details

- 42 Units (1BR to 4BR)
- Rents: \$650-\$1425 (Includes heat)
- Mixed Income
- 1.35 Acres (58% lot coverage)

Project Savings

Act 250 Savings \$51,000

+ 3 months time
+ no risk of appeal

Wastewater Fee savings - \$2,950

Prime Ag Mitigation - None



DT



NTC



NDA

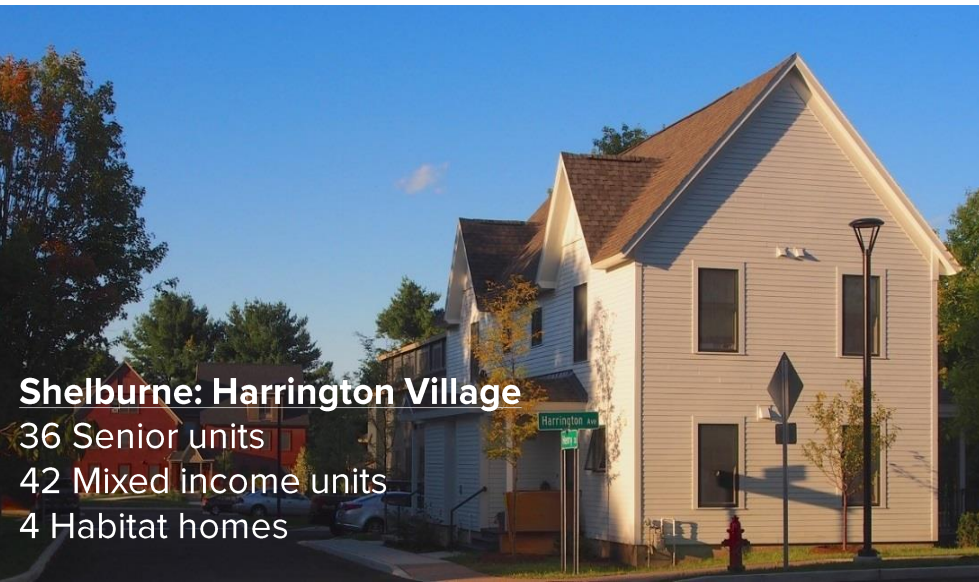


GC

Act 157

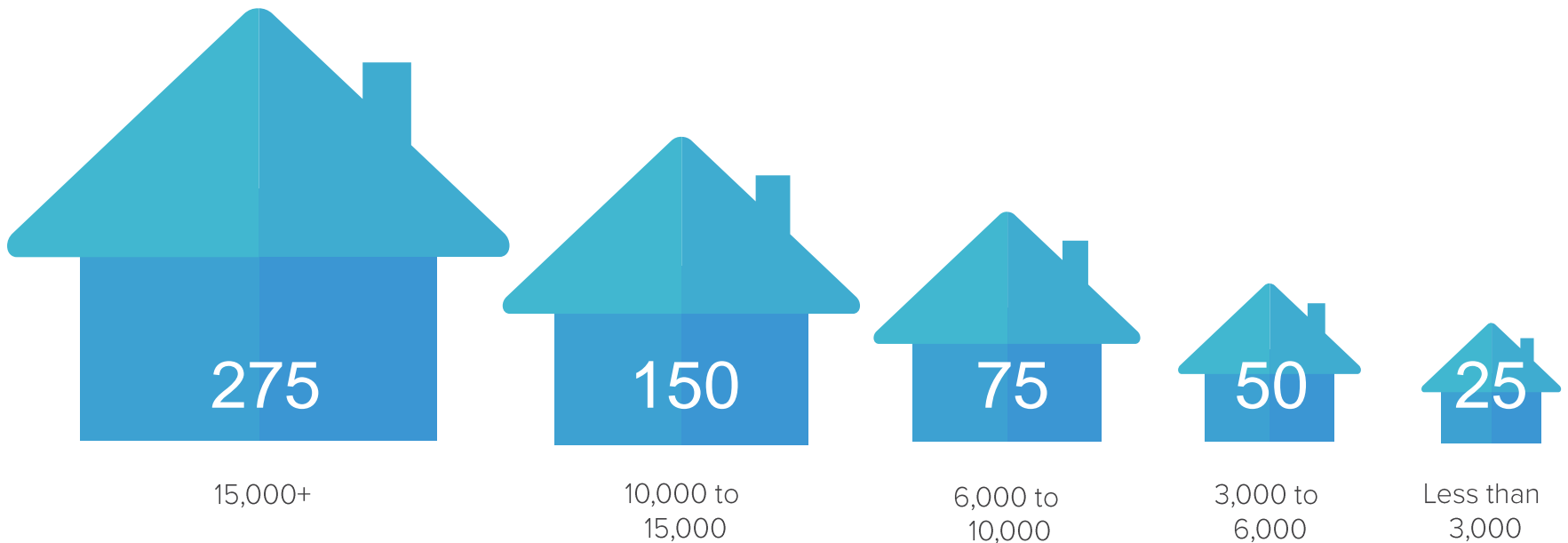
PHP findings

- Supported the development of more than 200 housing units
- Saved more than \$250,000 in permit fees
- Reduced permit timelines by 6 months



Priority Housing Projects

Act 250 threshold increase from 10 units to:



Population of Municipality



DT



NDA



NTC



GC

S . 100 Priority Housing Projects

Act 250 threshold increase from 10 units to:

PERMIT NOTICE

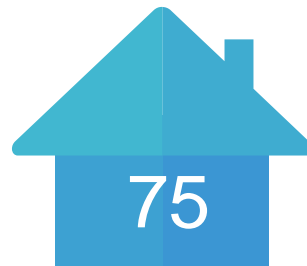
Address: _____
 Applicant: _____
 Project Description: _____

Permit / Approval
 Type: _____
 Date Issued: _____
 Appeal by: _____

Public Hearing
 Date / Time: _____
 Place: _____
 Purpose: _____

For more information contact: _____

Applicant: This notice shall be displayed on the subject premises and be clearly visible from the public way. Notice shall be displayed at the time of application and shall not be removed until after the appeals expiration date.



6,000 to
10,000



3,000 to
6,000



Less than
3,000

S. 100 – no jurisdiction in communities with more that 10,000 people.

Population of Municipality



DT



NTC



NDA

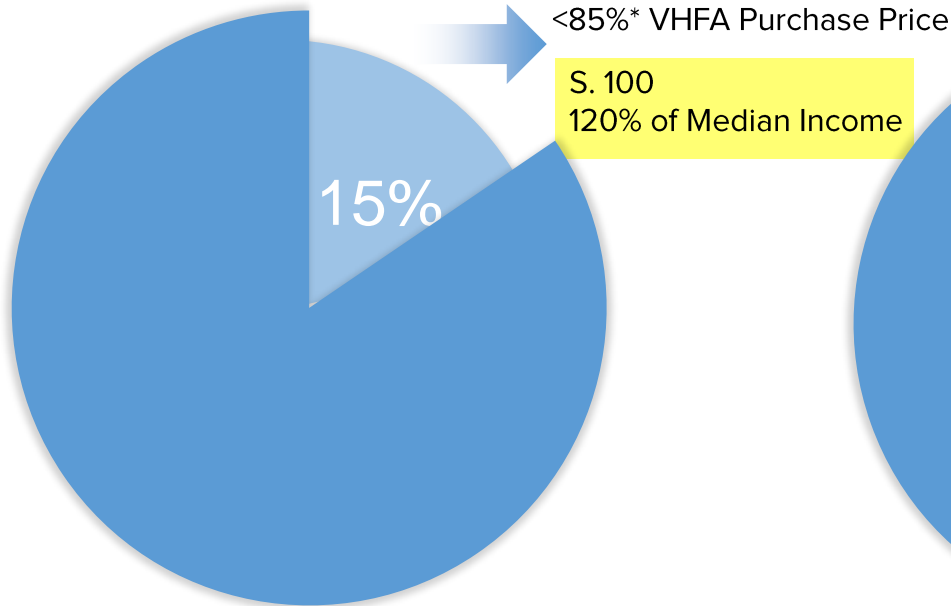


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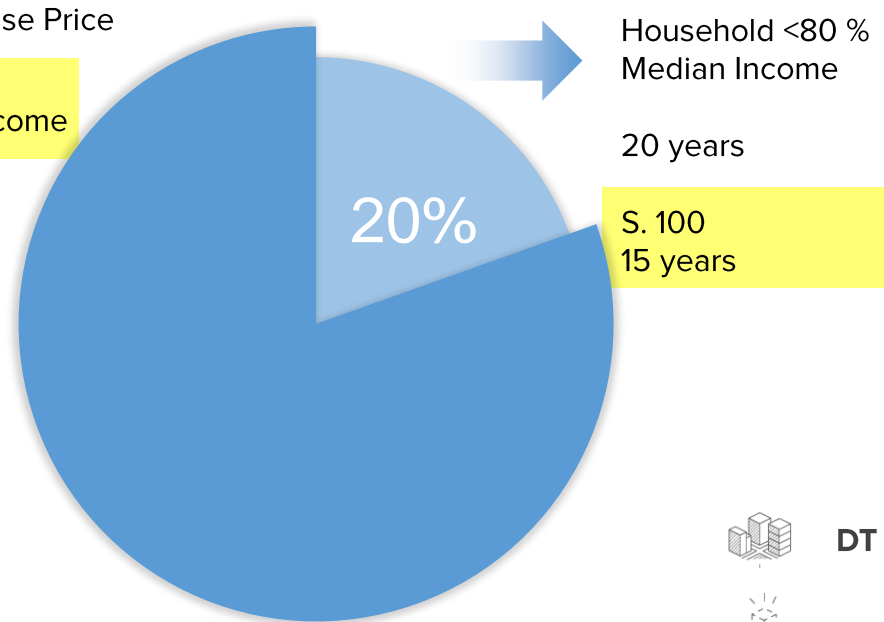
S. 100 Priority Housing Projects

Act 250 “Mixed Income Housing Jurisdictional Threshold”





Ownership Units



Rental Units



*or 20% of units at <90%

-  DT
-  NTC
-  NDA
-  GC

S . 100 Priority Housing Projects

Act 250 Permit Jurisdiction



DT

No permit or amendment needed



NTC

Permit or amendment required



NDA

S. 100 – no amendment needed if existing conditions are respected



GC

Other Required Permits or Licenses

Department of Environmental Conservation

Water/wastewater systems
Indirect discharges and underground injection control
Industrial process air emissions, open burning
Industrial wastewater
Wetlands
Stormwater Management
River Management, Flood Plains, River Corridors
Waste transfer stations, recycling, composting
Hazardous waste, underground and aboveground storage tanks

Department of Fish and Wildlife

Protection of Endangered & Threatened Species
Obstructing Streams

Division of Fire Safety

Construction Permit - Fire Prevention and Building
Occupancy Permit - Fire Prevention and Building
Electrical Permit - Installation
Energizing Permit - Electrical
Plumbing Permit - Installation
Operating Certificate - Boiler and Pressure Vessel
Americans With Disabilities Act

Department of Commerce and Community Development

Mobile Home Park

Department of Health

Lodging Establishment License
Public Spas and Hot Tubs
Bakery License
Food Service Establishment License
Food Processing Establishments
Program for Asbestos Control
Lead Abatement
Lead Base Paint
Certification of Laboratories

Agency of Human Services

Child Care Facility Licensing
Residential Child Care Facilities
Licensing of Nursing Homes and Residential Care Homes

Agency of Transportation

Signs - Private and State
Work in State Highway Right of Way
Waste Transportation (Hazardous or Solid)
Vermont Motor Vehicle Dealer License

Department of Motor Vehicles

License to Sell Diesel Fuel
License and a Bond to Sell Gasoline or Aviation Fuel

But Wait...
**THERE'S
MORE!!!**



Other Required Permits or Licenses

Agency of Agriculture, Food & Markets

Nursery Dealers License & Nursery Inspection Certificate
Retail Sales of Meat & Poultry
Slaughterhouse and Meat/Poultry Handling
Retail Sales of Milk
Milk Handler's License
Manufacture/Sale of Ice Cream/Frozen Dessert Products
Imitation Dairy Products Handler's License
Public Warehouse License
Weighing and Measuring Device
Licensing of Pet Merchants
Registration of Animal Shelters and Fairs

Department of Liquor Control

Malt & Vinous Beverage Licenses

Federal Permits

Wetlands
Rivers and Streams
Lakes and Ponds
Historic Buildings and Structures



Redstone



Vermont
Housing &
Conservation
Board

